

United States Department of the Interior BUREAU OF LAND MANAGEMENT

Palm Springs-South Coast Field Office 1201 Bird Center Drive Palm Springs, CA 92262-8001 (760) 833-7100 Fax (760) 833-7199



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In Reply Refer To: 2800 (P) CACA-051022 CAD060.63

APR 1 3 2012

Jeff Benoit, Project Manager Rice Solar Energy, LLC 2425 Olympic Blvd, Suite 500 Santa Monica, CA 90404

Right-of-Way

Right-of-Way Issued
Rental Fees Determined
Monitoring Fees Determined
Bonding Determined

Enclosed is your copy of right-of-way (ROW) CA-051022 which has been approved by the Bureau of Land Management for the construction, operation, maintenance and termination of a 160/230kV overhead transmission line, access road and related appurtenances on public lands.

Rental in the amount of \$73,528.68 has been received and applied for ROW CA-051022 for the term of issuance to December 31, 2012. Rental will be due again on January 1, 2013. Future rent will reflect the latest schedule as published in the Federal Register.

Per 43 CFR 2804.20, the Holder must pay a fee to BLM for the costs we will incur in monitoring the construction and operation of the Holder's authorized use. The assessment has determined that this will require full cost reimbursement under a Monitoring Category 6. Therefore, the BLM will require periodic payments to your existing cost recovery account as needed.

Solar Reserve, LLC, on behalf of the Holder provided an initial Reclamation Cost Estimate for the decommissioning and restoration activities associated with CACA-051022 on August 29, 2011. After review, the estimated amount of \$558,801.71 for the above mentioned activities is acceptable to BLM. A bonding instrument must be in place for this amount prior to the BLM issuance of a Notice to Proceed. Acceptable forms of bonding include those that are issued by an **approved bonding company** (please see http://www.fms.treas.gov/c570/c570 a-z.html for further information), in the form of cash, letter of credit, or by a certified check. The Authorized Officer will not accept a corporate guarantee as an acceptable form of bond.

The Holder may not conduct any activities related to your project on public land until you have received a Notice to Proceed (NTP) from this office.

If you have any questions, please contact Realty Specialist Janet Cheek at (760) 833-7134.

John R. Kalish Field Manager

Enclosure (1):

Signed Right-of-Way Grant, CACA-051022

Form 2800-14 (August 1985)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT RIGHT-OF-WAY GRANT/TEMPORARY USE PERMIT

Issuing Office
Palm Springs FO
Serial Number
CA-51022

ι.	A (right-of-way) (permit) is hereby granted pursuant to:
	a. Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776 43 U.S.C. 1761);
	b. Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185);
	c. Other (describe)
2.	Nature of Interest:
	a. By this instrument, the holder, Rice Solar Energy, LLC, receives a right to construct, operate, maintain, and terminate a 160/230 kV overhead transmission line, access road and related appurtenances, on public lands (or Federal land for MLA Rights-of-Way) described as follows:
	See attached legal description and map (Exhibit A)
	A map showing the location of the right-of-way is on file with the Bureau of Land Management, Palm Springs/South Coast Field Office CA-51022.
	b. The right-of-way or permit area granted herein is <u>150</u> feet wide, <u>43,666</u> feet in length, and contains <u>150.37</u> acres, more or less. If a site type facility, the facility contains <u>N/A</u> acres.
	c. This instrument shall terminate on: <u>December 31, 2041</u> unless prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.
	d. This instrument may may not be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the authorized officer deems necessary to protect the public interest.
	e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.
	f. The Authorized Officer retains the right of access to the lands included within the right-of-way at any time and may enter any facility on the right-of-way in accordance with 43 CFR 2805.15(a). The holder shall pay monitoring fees in accordance with 43 CFR 2805.16 for the reasonable costs

incurred in the inspection and monitoring of construction, operation, maintenance, and

decommissioning of the right-of-way.

g. This instrument is issued subject to valid existing rights in accordance with 43 CFR 2805.

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

4. Bond:

- A Performance and Reclamation bond, in an amount determined by the Authorized Officer, may be obtained by the holder to ensure compliance with the terms and conditions of this instrument. The Authorized Officer will require that the holder submit a Reclamation Cost Estimate for review and to assist the Authorized Officer in determining the bond amount. The holder shall provide the Authorized Officer proof that a bond in the required amount has been obtained by such date as specified by the Authorized Officer. The amount of the bond will be limited to the anticipated liabilities associated with the activities approved by the Notice to Proceed. If the Notice to Proceed is limited to only an initial phase of development or activity, the bond amount will be limited to that phase or activity. The bond amount would increase with the issuance of a Notice to Proceed for future phases of development or additional activities. The bond must be maintained in effect until removal of improvements and restoration of the right-of-way has been accepted by the Authorized Officer. Acceptable bond instruments include cash, cashier's or certified check, certificate or book entry deposits, negotiable U.S. Treasury securities (notes, bills, or bonds) equal in value to the bond amount, surety bonds from the approved list of sureties (U.S. Treasury Circular 570) payable to the Bureau of Land Management (BLM), irrevocable letters of credit payable to the BLM issued by financial institutions that have the authority to issue letters of credit and whose operations are regulated and examined by a federal agency, or a policy of insurance that provides BLM with acceptable rights as a beneficiary and is issued by an insurance carrier that has the authority to issue insurance policies in the applicable jurisdiction and whose insurance operations are regulated and examined by a federal or state agency. The Authorized Officer will not accept a corporate guarantee as an acceptable form of bond. The Authorized Officer will review the bond on an annual basis to ensure adequacy of the bond amount. The bond will also be reviewed at the time of any assignment, modification, or renewal of this instrument. The Authorized Officer may increase or decrease the bond amount at any time during the term of the right-of-way authorization, consistent with the regulations. (The bond \$ amount will be determined by the BLM and provided to the holder by letter prior to approval of a Notice to Proceed).
- b. The holder agrees that any bond held as security for holder's performance of the terms and conditions of this instrument may, upon failure on the holder's part to fulfill any of the requirements herein set forth or made a part hereof, be retained by the United States to be applied as far as may be needed to the satisfaction of the holder's obligations assumed hereunder, without prejudice whatever to any other rights and remedies of the United States.
- c. Should the bond delivered under this instrument become unsatisfactory to the Authorized Officer, the holder shall, within 30 calendar days of demand, furnish a new bond. In the

event of noncompliance with the terms and conditions of this instrument, the BLM will notify the holder that the surety or other bond instrument is subject to forfeiture and will allow the holder 15 calendar days to respond before action is taken to forfeit the bond and suspend or terminate the authorization.

5. Terms and Conditions:

- a. This instrument is issued subject to the holder's compliance with all applicable laws and regulations and, in particular, with the regulations contained in Title 43 Code of Federal Regulations Part 2800, including the terms and conditions required by 43 CFR 2805.12. Failure of the holder to comply with applicable law or regulations or any terms, conditions, or stipulations of this instrument shall constitute grounds for suspension or termination thereof of this instrument in accordance with 43 CFR 2807.17 2807.19. The Authorized Officer may change the terms and conditions of this instrument as a result of changes in legislation, regulations, or as otherwise necessary to protect public health or safety or the environment in accordance with 43 CFR 2805.15(e).
- b. The right-of-way Stipulations (Exhibit B), attached hereto, are incorporated into and made a part of this instrument as fully and effectively as if they were set forth herein in their entirety.
- c. The holder shall perform all operations in a good and workmanlike manner, consistent with the approved Plan of Development, so as to ensure protection of the environment and the health and safety of the public. The Authorized Officer may order an immediate temporary suspension of operations, orally or in writing, in accordance with 43 CFR 2807.16 to protect public health or safety or the environment if the Authorized Officer determines that the holder has violated one or more of the terms, conditions, or stipulations of this instrument. An immediate temporary suspension order is effective until the holder receives a written Notice to Proceed from the Authorized Officer.
- d. The holder will not initiate any construction or other surface disturbing activities on the right-of-way without prior written authorization of the Authorized Officer. Such authorization will be a written Notice to Proceed (Form 2800-15) issued by the Authorized Officer or his/her delegated representative. Each Notice to Proceed will authorize construction or use and occupancy only as therein expressly stated and only for the particular location or use and occupancy therein described, i.e., a construction phase or site location. The Authorized Officer will issue a Notice to Proceed subject to such terms and conditions as deemed necessary when the design, construction, use, occupancy, and operation proposals are in conformity with the terms and conditions of this instrument.
- e. The holder shall start construction within 12 months after issuance of a Notice to Proceed. The holder shall complete construction within the timeframes approved in the final Plan of Development.

- f. Failure of the holder to comply with any diligent development provision of this instrument may cause the Authorized Officer to suspend or terminate the authorization in accordance with 43 CFR 2807.17 2807.19, and use the posted Performance and Reclamation bond to cover the costs for removal of any equipment and/or facilities. The Authorized Officer will provide the holder a written Notice of Failure to Ensure Diligent Development prior to the suspension or termination of the authorization. The holder will be provided an opportunity to correct any noncompliance in accordance with 43 CFR 2807.18 or submit a written request to the Authorized Officer for an extension of the timelines in the approved Plan of Development.
- g. Upon termination by the Authorized Officer or expiration of this instrument, all improvements shall be removed from the public lands within 180 calendar days or otherwise disposed of as provided for in the approved Plan of Development, or as directed by the Authorized Officer.
- h. This instrument shall, at a minimum, be reviewed by the Authorized Officer at the end of the 10th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that this instrument may be reviewed at any time deemed necessary by the Authorized Officer in accordance with the regulations.
- i. This instrument may be assigned consistent with the regulations, but all assignments are subject to approval by the Authorized Officer. In addition, the qualifications of all assignees must comply with the requirements of the regulations. A partial assignment of this instrument shall not be approved if such action would hinder the Authorized Officer's management of the authorization or the associated public lands.
- j. Upon the request of the Authorized Officer, the holder shall provide access to environmental, technical, and financial records, reports, and other information related to construction, operation, maintenance, and decommissioning of the right-of-way. Any information marked confidential or proprietary will be kept confidential to the extent allowed by law. Failure of the holder to cooperate with such request, provide data, or grant access to such records, reports, and information may, at the discretion of the Authorized Officer, result in suspension or termination of the right-of-way lease/grant in accordance with the regulations.
- k. The holder shall not initiate any construction or other surface disturbing activities as a minor change to the right-of-way or Plan of Development without prior written approval of the Authorized Officer, or his delegate. Such authorization shall be a written Change of Condition or Adjustment. Each Change of Condition/Adjustment shall authorize construction or use only as therein expressly stated and only for the particular location and use therein described. All Changes of Condition/Adjustments are subject to such terms and conditions as deemed necessary by the Authorized Officer at the time of approval. Approved changes authorize construction or use only as therein expressly stated and only for the particular location, phase, area, or use

described. The Authorized Officer may, by written notice, suspend or terminate in whole or in part any change of condition/adjustment which has been approved, when in the Authorized Officer's judgment, unforeseen conditions arise which result in the approved terms and conditions being inadequate to protect the public health and safety or to protect the environment. All Conformance Requests will be documented and tracked to ensure the acreages of disturbance affected by post-authorization conformance changes remain within the limits of impacts analyzed in the EIS and approved in the ROD and ROW.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.

(Signature of Holder)

John R. Kalish Field Manager

(Effective Date of Grant)

(Form 2800-14, page 2)

EXHIBIT A

LEGAL DESCRIPTION AND MAP

<u>Generation Tie Line</u> San Bernardino Base Meridian

T. 1 S., R. 21 E.,

sec. 28, S1/2SW1/4, SW1/4SW1/4SE1/4;

sec. 33, N1/2NE1/4, NE1/4NE1/4NW1/4;

sec. 34, NW1/4, N1/2SE1/4, SW1/4NE1/4;

sec. 35, SW1/4, S1/2SE1/4.

T. 2 S., R. 21 E.,

sec. 1, lot 1 in the NE1/4, lots 1 and 2 in the NW1/4, N1/2SE1/4;

sec. 2, lot 2 in the NE1/4.

T. 2 S., R. 22 E.,

sec. 6, lots 1 and 2 in the SW1/4;

sec. 7, NE1/4, NE1/4SE1/4, lot 1 in the NW1/4;

sec. 8, SW1/4;

sec. 17, NE1/4, NE1/4NW1/4;

sec. 21, N1/2NE1/4 and SE1/4NE1/4;

sec. 22, SW1/4NW1/4, N1/2SW1/4.

Containing: 150.37 Acres more or less

EXHIBIT B

STIPULATIONS

- 1. The holder shall submit a final plan of development (POD) that describes in detail the construction, operation, maintenance, and termination of the right-of-way and its associated improvements and/or facilities. The final POD shall include the engineering route maps and alignment sheets that show the final designs, locations and workspace for all facilities. The plans will be reviewed, and if appropriate, modified and approved by the authorized officer. Once approved by the authorized officer, the POD shall be made a part of the right-of-way grant. The holder shall construct, operate, and maintain the facilities, improvements, and structures within the right-of-way in strict conformity with the approved POD, as amended or supplemented by the approval of the authorized officer. Any surface disturbing activity, additional construction, or use that is not in accord with the approved POD shall not be initiated without prior written approval of the authorized officer. A copy of the complete right-of-way grant/lease, including all stipulations and approved POD, shall be made available on the right-of-way area during construction, operation, and decommissioning. Noncompliance with the above will be grounds for immediate temporary suspension of activities.
- 2. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the approved Plan of Development, as amended or supplemented by approval of the Authorized Officer. Any surface disturbing activity, additional construction, or use that is not in accord with the approved Plan of Development shall not be initiated without the prior written approval of the Authorized Officer. A copy of the complete right-of-way lease/grant, including all stipulations and approved Plan of Development, shall be made available on the right-of-way area during construction, operation, and decommissioning. Noncompliance with the above will be grounds for immediate temporary suspension of activities if it constitutes a threat to public health or safety or the environment.
- 3. The holder shall comply with the Biological Opinion for listed and proposed species associated with this project signed by the US Fish and Wildlife Service on July 27, 2011. Failure to comply with the requirements of the Biological Opinion shall be cause for suspension or termination of the right-of-way lease/grant.
- 4. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on its behalf, on public or Federal land shall be immediately reported to the Authorized Officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after

consulting with the holder.

- 5. Unless otherwise agreed to in writing by the Authorized Officer, powerlines shall be constructed in accordance with standards outlined in "Suggested Practices for Raptor Protection on Powerlines", Raptor Research Foundation, Inc., 1996. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication are "eagle safe." Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modifications or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.
- 6. The holder will arrange and attend preconstruction conference(s) prior to the holder's commencing construction and/or surface disturbing activities on the right-of-way or specific construction phase of the right-of-way as specified by the Authorized Officer. The holder and/or his representatives will attend this conference. The holder's contractor, or agents involved with construction and/or any surface disturbing activities associated with the right-of-way, will also attend this conference to review the stipulations of the authorization, including the Plan of Development, as applicable. The holder shall notify the Authorized Officer of the schedule for any preconstruction conference at least 10 calendar days in advance of the preconstruction conference or such timeframe as may be required by the Notice to Proceed.
- 7. The holder shall designate a representative who shall have the authority to act upon and to implement instructions from the Authorized Officer. The holder's representative shall be available for communication with the Authorized Officer within a reasonable time when construction or other surface disturbing activities are underway.
- 8. The holder shall protect all survey markers found within the right-of-way. Survey markers include, but are not limited to, Public Land Survey System line and corner markers, other property boundary line and corner markers, and horizontal and vertical geodetic monuments. In the event of obliteration or disturbance of any of the above, the holder shall immediately report the incident, in writing, to the Authorized Officer and the respective installing authority if known. Where any of the above survey markers are obliterated or disturbed during operations, the Authorized Officer will determine how the marker is to be restored. The holder will be instructed to secure the services of a registered land surveyor or informed that an official survey will be executed by the Bureau of Land Management (BLM). All surveying activities will be in conformance with the Manual of Surveying Instructions and appropriate State laws and regulations. Surveys by registered land surveyors will be examined by the Authorized Officer and the BLM State Office Chief Cadastral Surveyor for conformance with the Manual of Surveying Instructions and State laws and regulations before being filed in the appropriate State or county offices of record. The holder shall be responsible for all administrative and survey costs.
- 9. Use of pesticides and herbicides shall comply with all applicable Federal and State laws. Pesticides and herbicides shall be used only in accordance with their registered uses within

limitations imposed by the Secretary of the Interior. Prior to the use of the pesticides, the holder shall obtain from the Authorized Officer, written approval of a Pesticide Use Proposal Plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, locations of storage and disposal of containers, and any other information deemed necessary by the Authorized Officer.

10. Only those chemicals (pesticides and herbicides) listed on the BLM approved label list are authorized for use on public lands. A Pesticide Use Proposal must be submitted for each chemical used, and it cannot be used until approval has been obtained in writing from the Authorized Officer. The proposal needs to identify any surfactants or dyes used in the spraying operation. Applicator(s) of chemicals used must have completed pesticide certification training and have a current up to date Certified Pesticide Applicator's License. Pesticide and herbicide application records for the areas and acres treated must be submitted to the Authorized Officer each year. This includes the following:

Brand or Product name
EPA registration number
Total amount applied (use rate #A.I./acre)
Date of application
Location of application
Size of area treated
Method of treatment (air/ground)
Name of applicator
Certification number and dates
Costs to treatment
Amount of surfactants or dyes used in spraying operation

The record information must be recorded no later than 14 calendar days following the pesticide or herbicide application and must be maintained for ten years.

- 11. Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. 'Waste' means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment. A litter policing program shall be implemented by the holder which covers all roads and sites associated with the right-of-way.
- 12. The holder shall comply with all applicable Federal, State, and local laws and regulations, existing or hereafter enacted or promulgated, with regard to any hazardous material, as defined by 43 CFR 2801.5 that will be used, produced, or transported on or within the right-of-way, or used in the construction, operation, maintenance, or decommissioning of the project or any of its facilities. "The holder agrees in accordance with 43 CFR 2807.12(e) to fully indemnify the United States against any liability arising from the release of any hazardous material on *or near* the right-of-way *in connection with the holder's use and occupancy of the right-of-way, whether or not the release is authorized*

If the remains are located on federal lands, federal land managers/federal law enforcement/federal archaeologist are to be informed as well because of complementary jurisdiction issues. It is very important that the suspected remains and the area around them remain undisturbed and the proper authorities called to the scene as soon as possible as it could be a crime scene.

The Coroner will determine if the bones are historic/archaeological or modern.

Modern Remains

If the Coroner's Office determines the remains are of modern origin, the appropriate law enforcement officials will be called by the Coroner and conduct the required procedures. Work will not resume until law enforcement has released the area.

Archaeological Remains

If the remains are determined to be archaeological in origin and there is no legal question, the protocol changes depending on whether the discovery site is located on federally or non-federally owned/managed lands.

After the Coroner has determined the remains are archaeological or historic and there is no legal question, the appropriate Field Office Archaeologist must be called. The archaeologist will initiate the proper procedures under ARPA and/or American Graves Protection and Repatriation Act of 1990 (NAGPRA). If the remains can be determined to be Native American, the steps as outlined in NAGPRA, 43 CFR 10.6 Inadvertent discoveries, must be followed.